



Tata Motors

Q1 FY08 Results Review

31st July, 2007



Statements in this presentation describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes and incidental factors



Agenda

- **Financial Performance**

- Business Performance
- Subsidiary Performance

1Q FY08 Financial Performance (Consolidated)

Rs crores	1Q FY08	1Q FY07
Gross Revenue	8,634.1	7,696.8
Net Revenue	7,631.3	6,733.3
EBITDA	1,066.9	774.0
EBITDA Margin	13.98%	11.50%
Other Income	13.6	17.3
Net Interest	176.2	78.4
Dep. & Amortisation	175.5	165.5
Prod. Dev. Exp.	19.3	10.3
PBT	711.6	536.6
Profit after Tax	515.9	380.2
Basic EPS (Rs)	12.90	9.97

⊕ Net Revenues ↑ 13%

⊕ EBITDA ↑ 38%

⊕ PBT ↑ 33%;

⊕ PAT ↑ 36%

⊕ EPS of Rs.12.90; ↑ 29%

1Q FY08 Financial Performance (Standalone)

Rs crores	1Q FY08	1Q FY07
Gross Revenue	6,993.0	6,671.0
Net Revenue	6,056.8	5,749.6
EBITDA	752.2	636.6
EBITDA Margin	12.42%	11.07%
Other Income	86.3	85.9
Net Interest	81.6	72.6
Dep. & Amortisation	147.5	141.1
Prod. Dev. Exp.	19.3	10.3
PBT	592.1	498.2
Profit after Tax	466.8	381.8
Basic EPS (Rs)	12.11	9.97

- # Net Revenues ↑ 5%
- # EBITDA ↑ 18%
- # PBT ↑ 19%;
- # PAT ↑ 22%
- # EPS of Rs.12.11; ↑ 22%

Input cost pressures

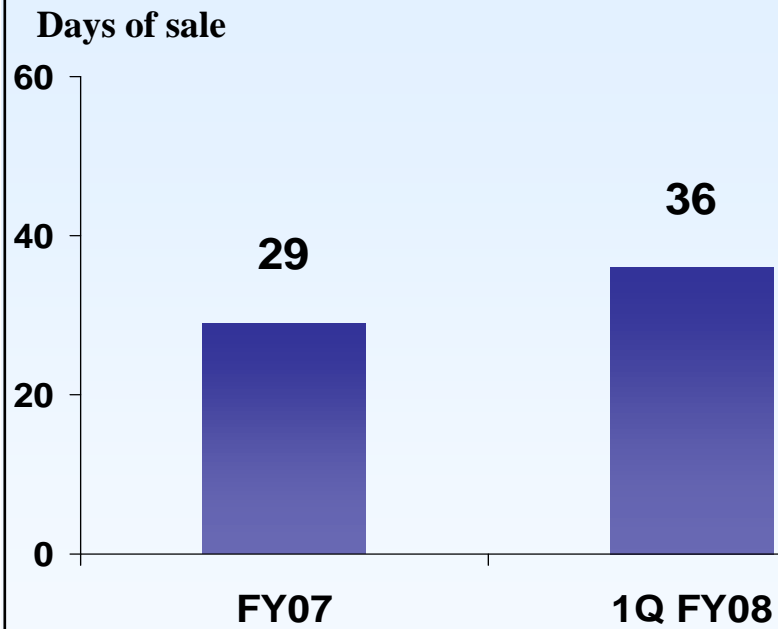
Pressure on profitability due to

- ⊕ **Increasing Commodity prices**
- ⊕ **Increasing Crude Oil Price**
- ⊕ **Hardening of Interest rates**
- ⊕ **Inflationary Pressures**

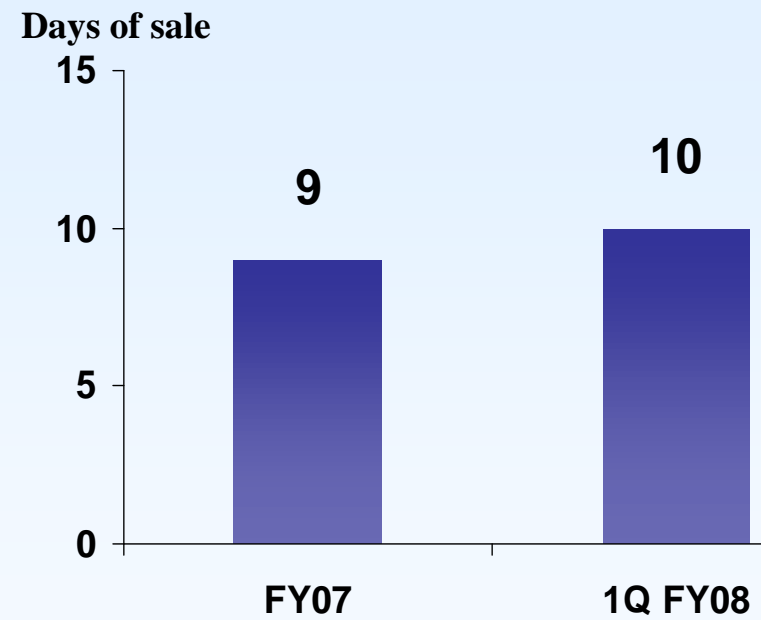
Above pressures expected to continue in future.

Working Capital

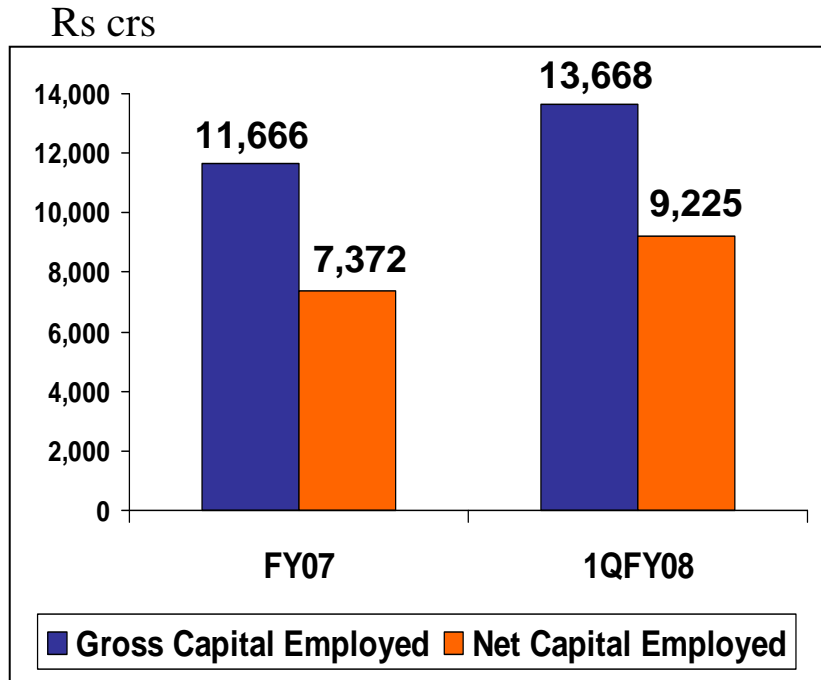
Inventory



Receivables

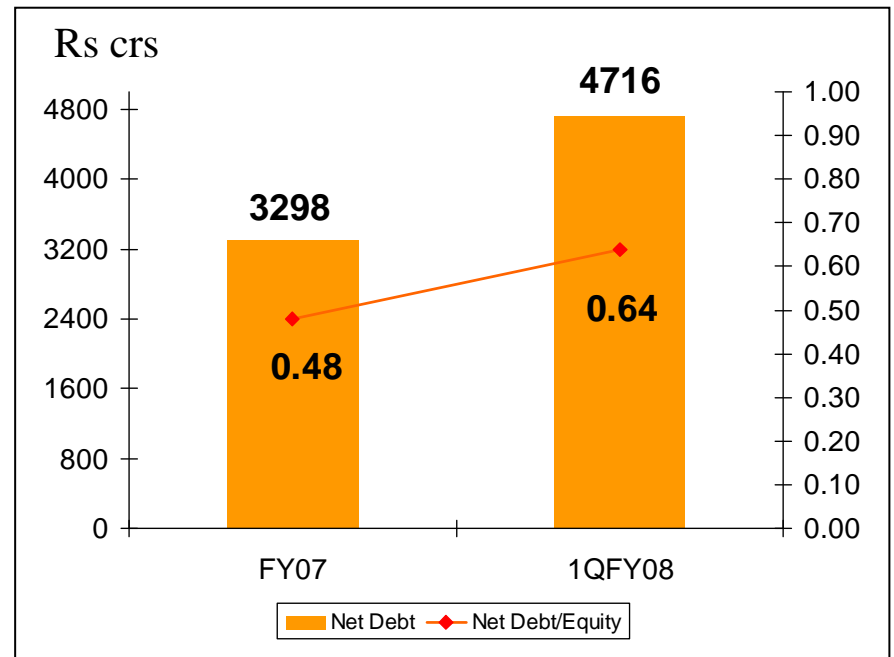


Balance Sheet Size



We have financing loans and receivables to the extent of Rs. 4,443 crs as on 30th June'07

Net Capital employed is net of Vehicle Financing loans & receivables

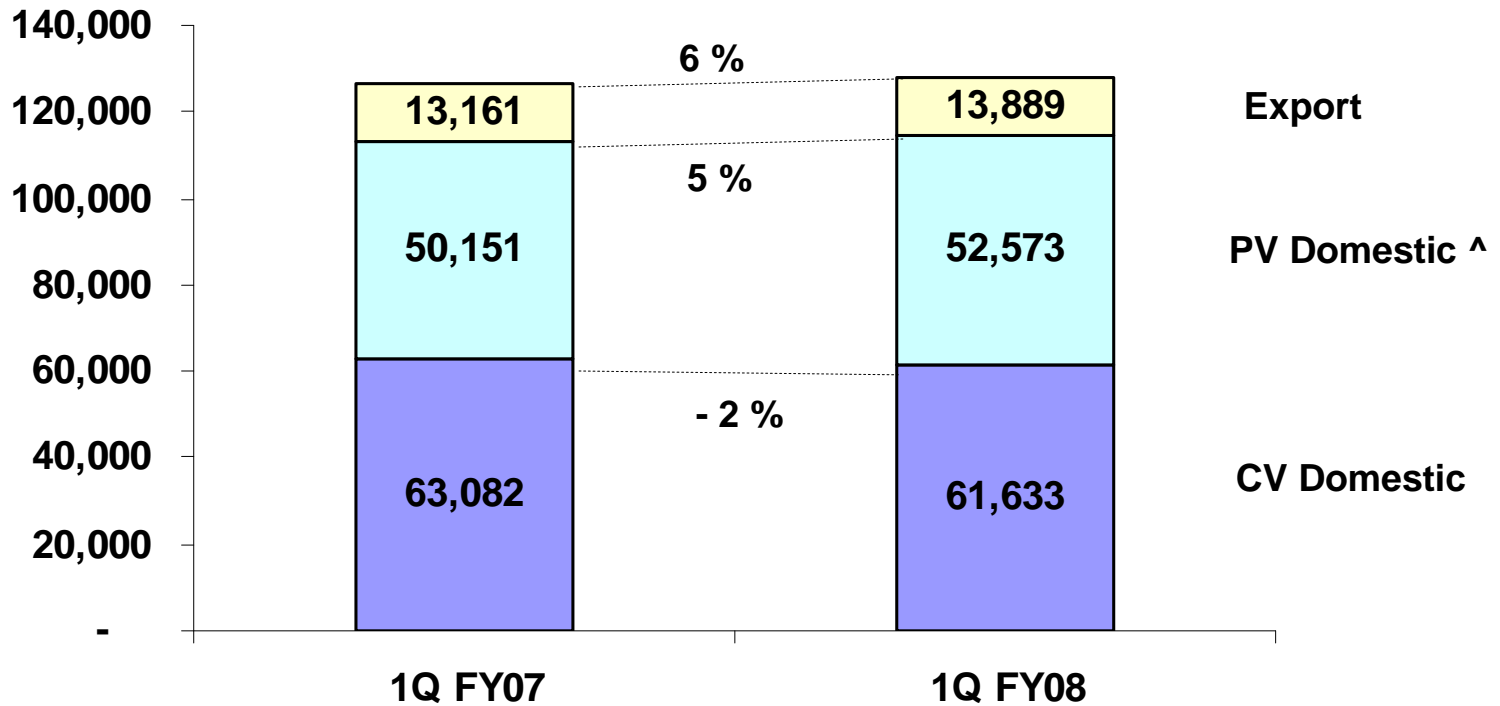




Agenda

- Financial Performance
- **Business Performance**
- Subsidiary Performance

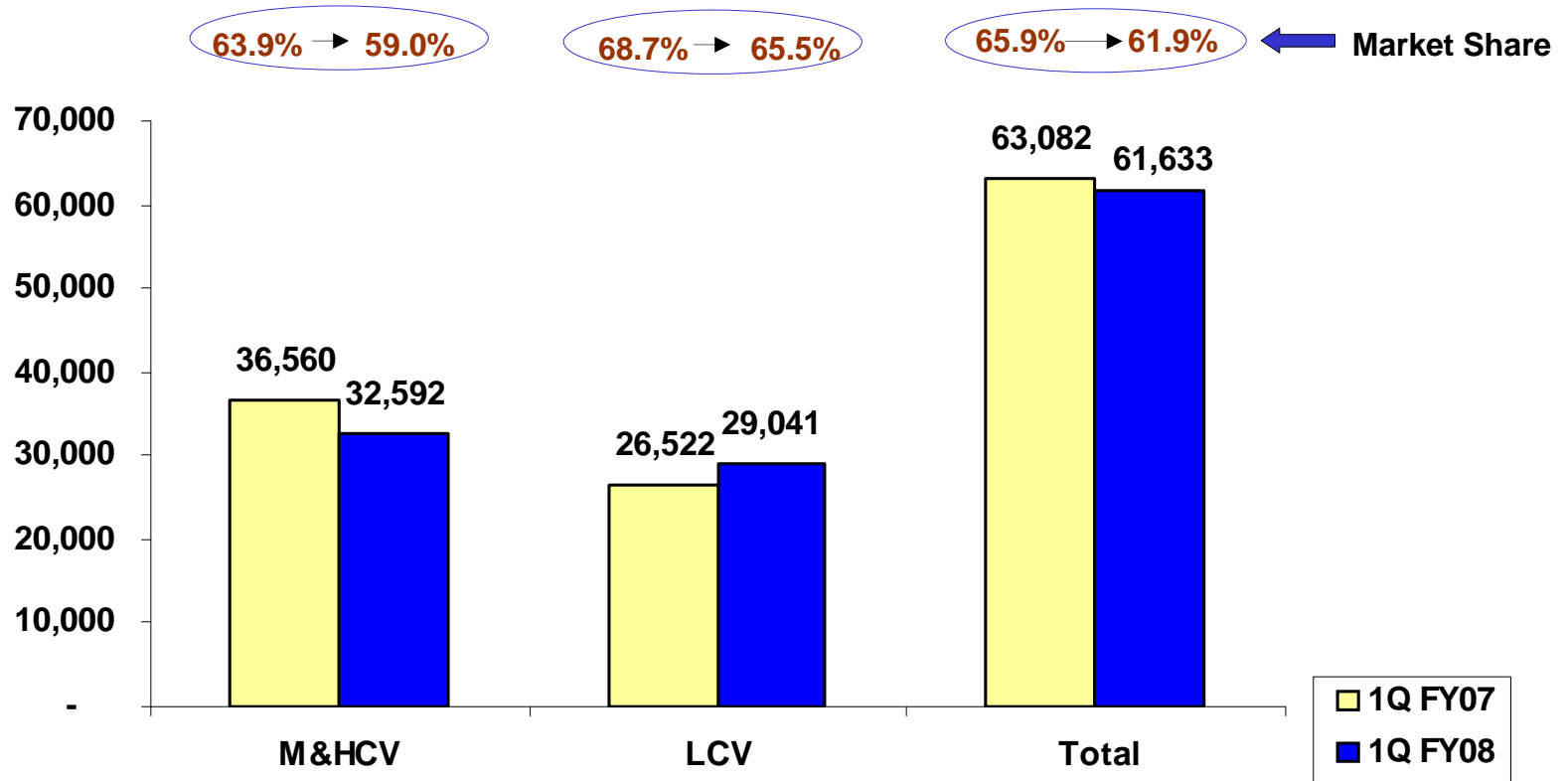
Total Sales at 128,095 units, increase by 1%



^ PV Domestic includes sale of FIAT vehicles

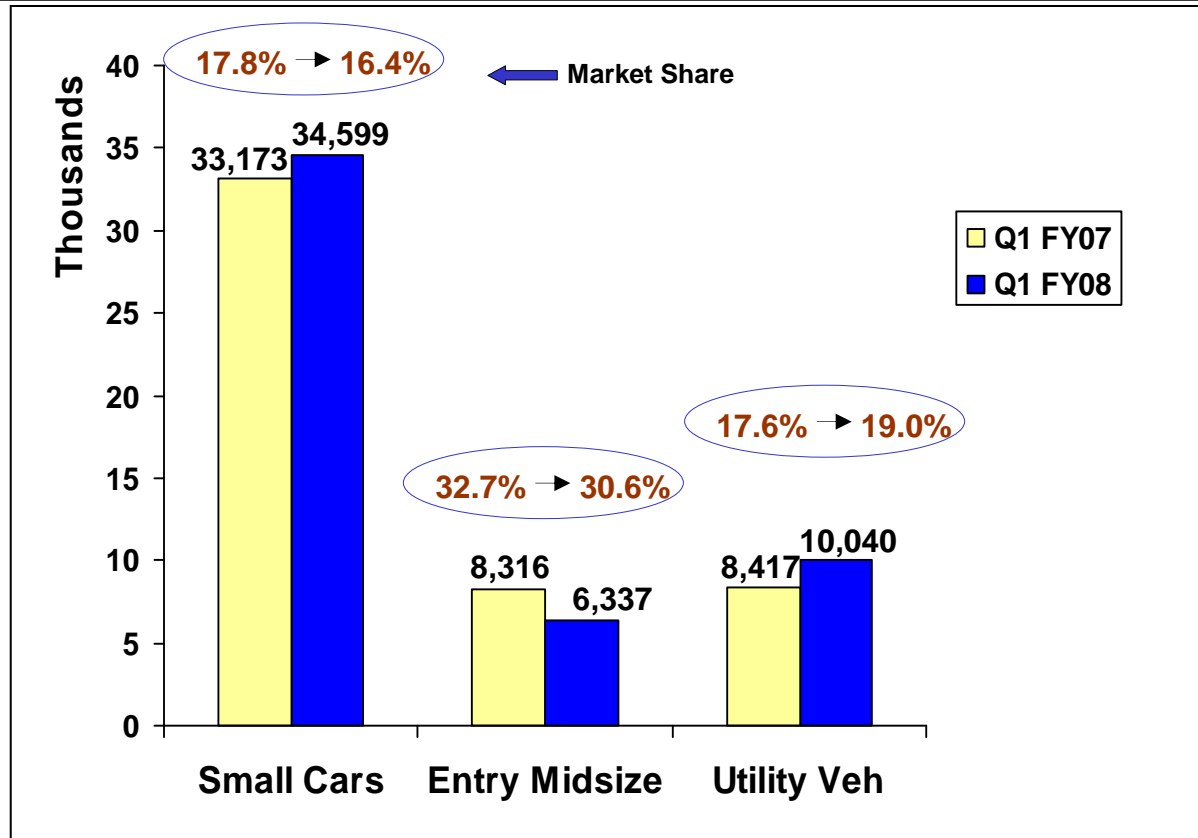
Volume Growth in the domestic market seriously impacted by steep increase in interest rates.

Commercial Vehicles volumes hit by steep rise in interest rates...



- While M&HCV Domestic sales declined y-o-y by 11% in Q1 FY08, LCV domestic sales volumes increased by 9.5% y-o-y.
- M&HCV volumes were adversely impacted due to steep rise in interest rates during the quarter.

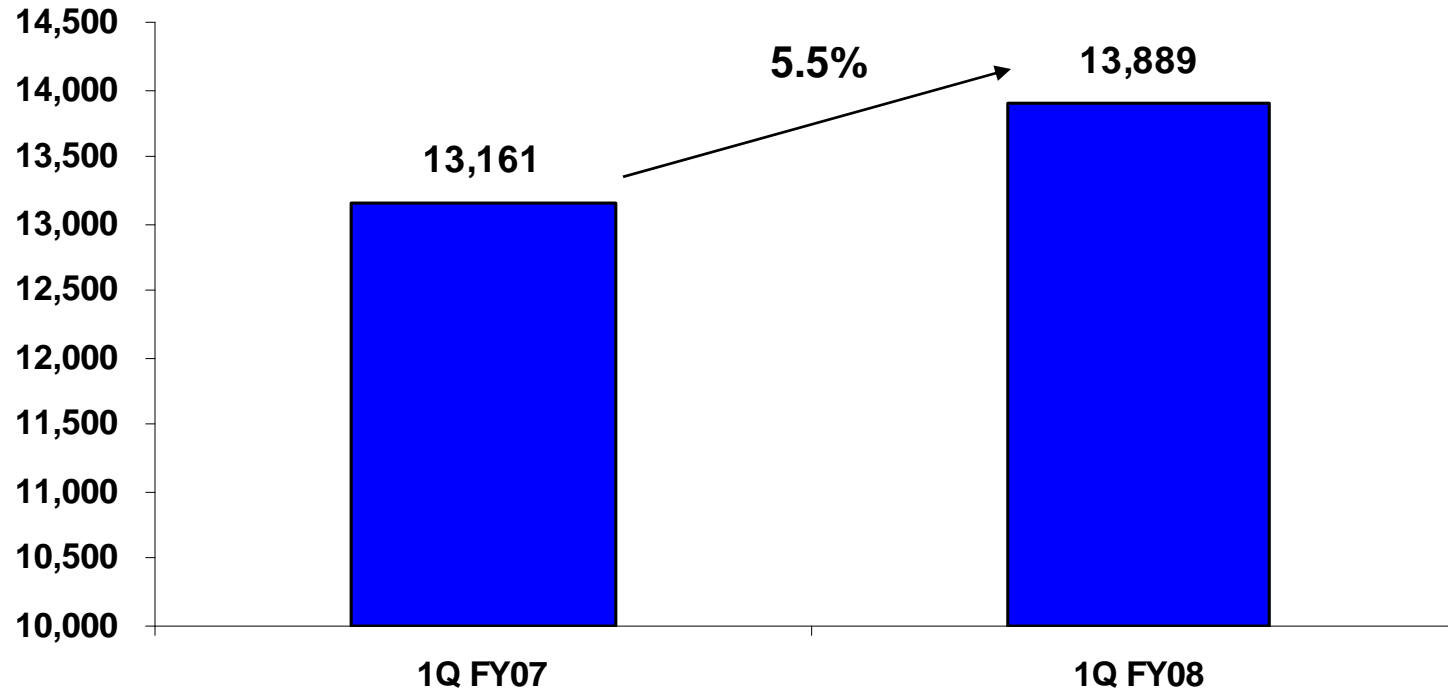
Continues to be # 2 in the Passenger Vehicle Market...



Small cars refer to Mini + Compact segments.

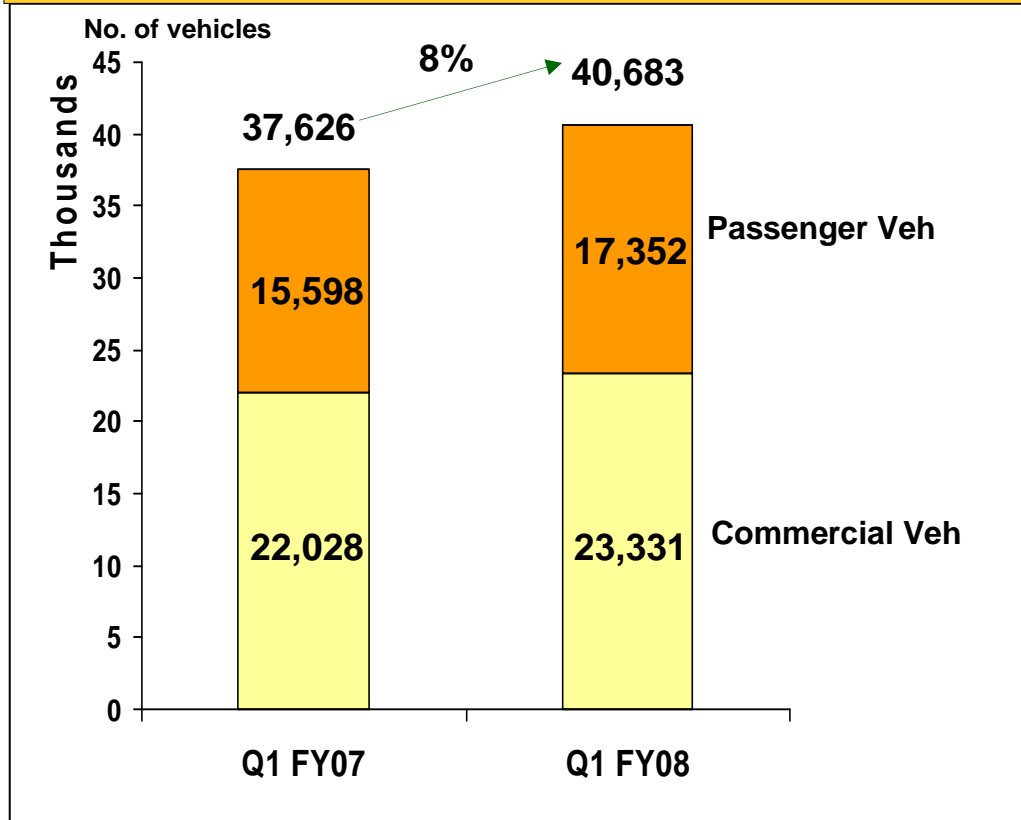
- PV Industry grew by 12.9% during the quarter, Tata Motors PVs registered a y-o-y growth of 3.9% in Q1 FY08.
- Continues to be the second largest PV player with a market share of 14.9%.
- Re-positioning the Safari range led to 140 bps jump in UV Market share.

International Business Revenues (in US \$) – y-o-y growth of 42%



- Revenues from international business formed around 20% of the consolidated revenues.
- International Business Revenues in US\$ terms, increased by 42% in Q1 FY08 as compared to Q1 FY07.
- Key export destinations were South Africa, South Asia, Middle East and parts of Europe.

Vehicle Financing



- Disbursals in Q1 FY08 at Rs.2,341 cr, up by 12% from Rs.2,090 crs in the corresponding period of FY07.

- Increased Market Share of TATA Motors vehicles from 33.3% to 35.6% on a y-o-y basis.

Major Events in Q1 FY08

- Inaugurated the Tata-Fiat's industrial JV's new facility in Ranjangaon. Simultaneously launched the Fiat Palio Stile in the Indian market.
- Bagged a prestigious order from the Delhi Transport Corporation (DTC) for 500 non-AC state of the art low-floor, CNG propelled buses. The company won this order by participating in a global tender floated by DTC.
- Launched Tata Ace in Nepal, its second international market launch after Sri Lanka.
- Launched an upgraded Entry Level Utility Vehicle Range, the 'Tata Spacio Gold Plus' with an aim to increase its penetration in the rapidly growing personal/family vehicle segment in the semi-urban market.
- Introduced Common Rail Diesel (DICOR) engine in its entry level sedan Indigo LS version.
- Tata Motors introduced Ace Magic & Winger – to create new segments in urban & rural passenger transportation.

Ace Magic



**4 to 7 passenger
seating capacity**

Winger



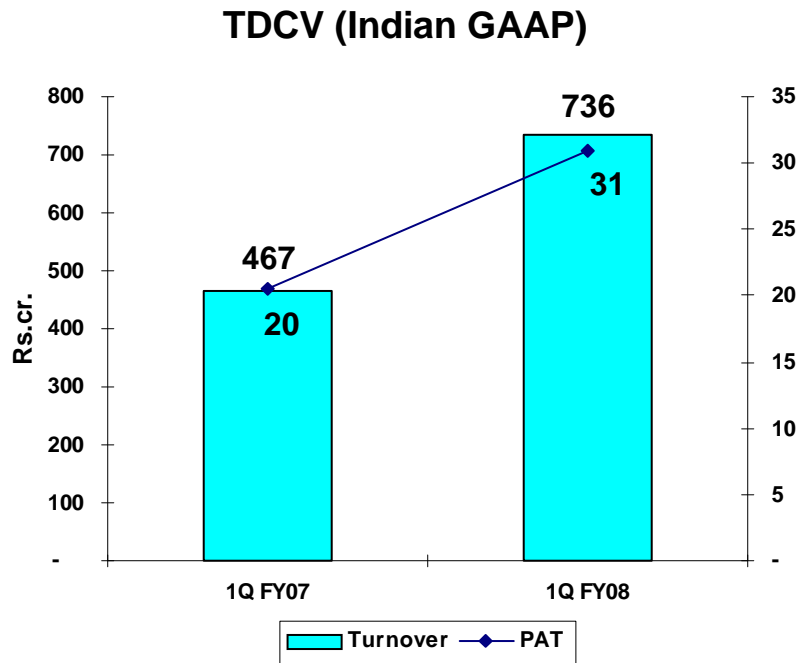
**9 to 13 passenger
seating capacity**



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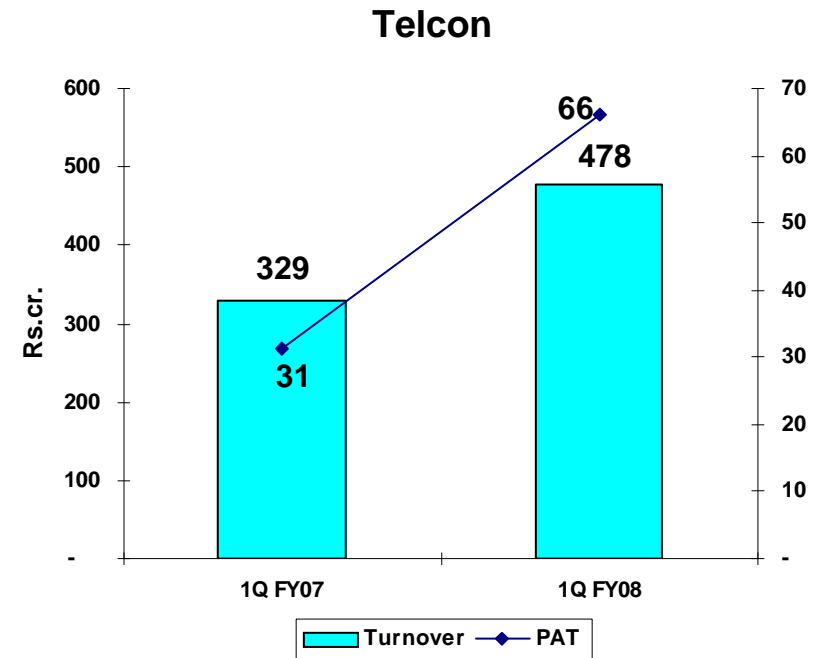
Subsidiaries Financials



Total sales volume of 2,780 units during Q1 FY08; up 70.2% y-o-y.

Of the above, 2,261 units were sold in the domestic market, up by 112.5% y-o-y in Q1 FY08.

Domestic market share of TDCV as on 30th June'07 stood at 30.3%, up from 21.3% as on 30th June, '06.



Volume sales at 1,549 units in Q1 FY08; up 40% y-o-y

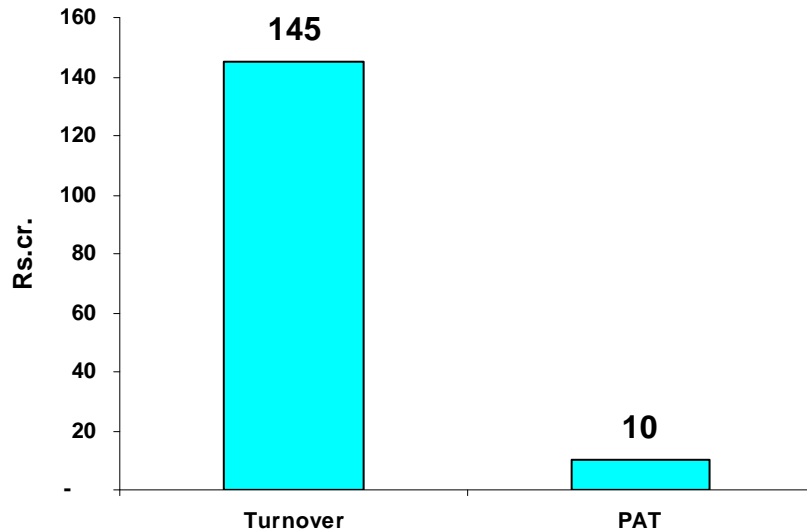
Continues to be the market leader in excavator segment with a share of 53%

Increased Market share in wheel loaders to 26% in Q1 FY08 from 16% in Q1 FY07.

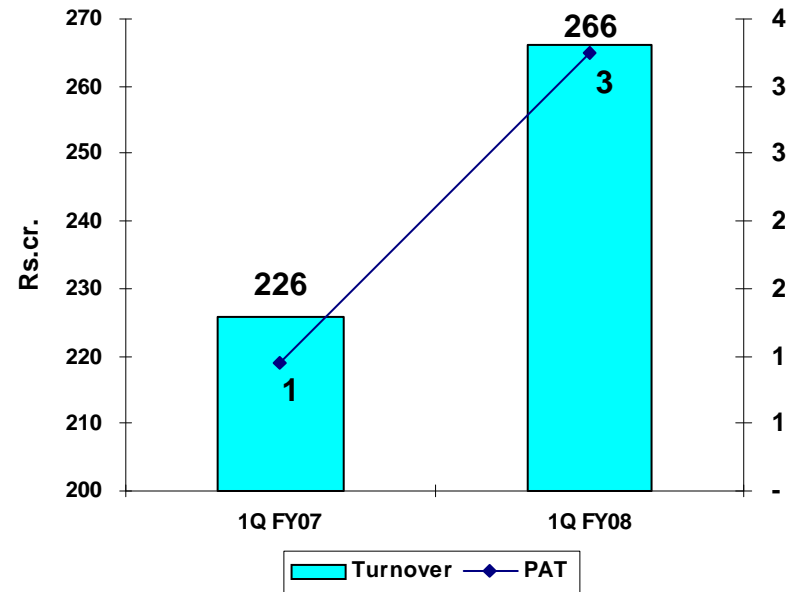
Market Share in backhoe loaders at 9%.

Subsidiaries Financials

TMLFSL



TTL (consolidated)



Vehicle Financing Business undertaken through TMFSL and TML, together under the brand name Tata Motor Finance (TMF).

TMLFSL started operations in September '06.

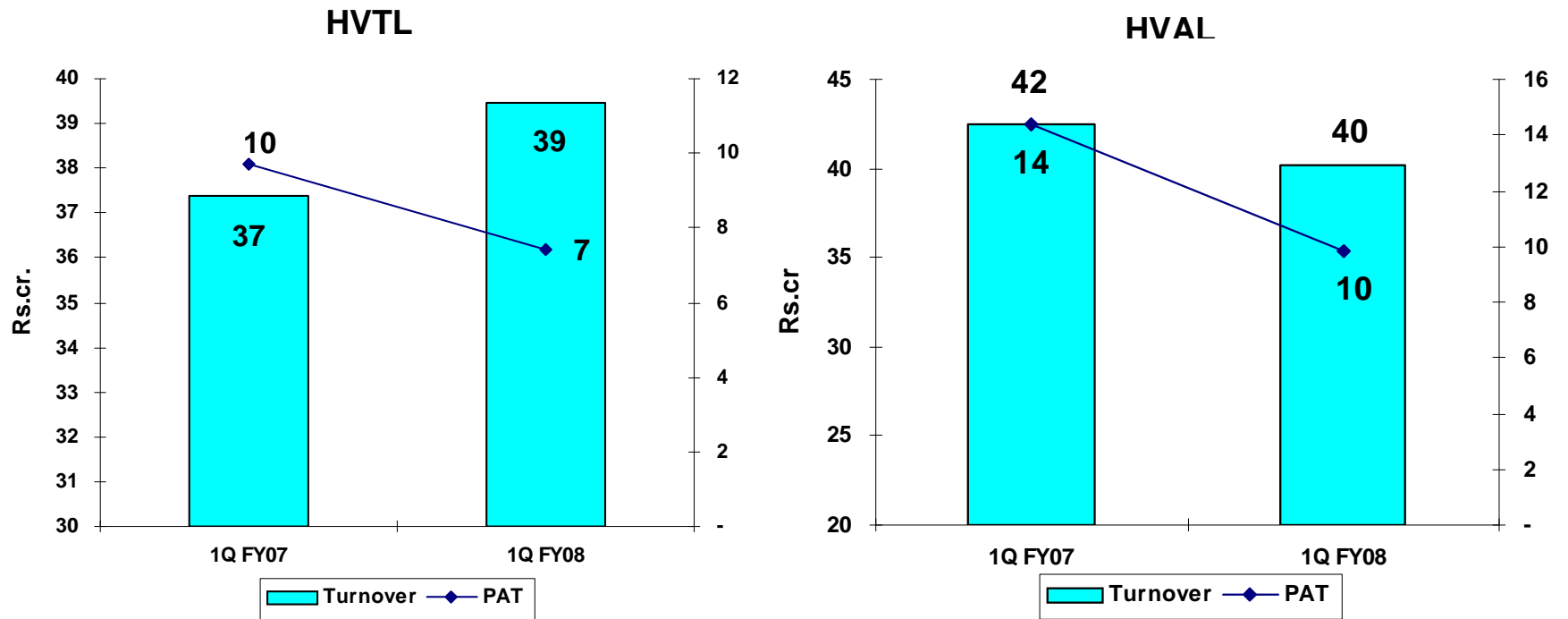
TMF increased market share in Tata Motors vehicles from 33.3% in Q1 FY07 to 35.6% in Q1 FY08.

While in CV financing, its market share went up by 300 bps y-o-y to 37.8% in Q1 FY08, market share in Cars and Utility Vehicles came in at 31.4% and 39.3% respectively.

Early signs of the accrual of integration benefits with INCAT are visible as PAT increased by 3 times in Q1 FY08 as compared to Q1 of last year.

As the share of Revenues, America was the largest geographical segment, followed by Asia Pacific and Europe.

Subsidiaries Financials



Performance of HVTL and HVAL is adversely impacted by the weakness in the Commercial Vehicle Industry.



Thank You